HOUSE BILL No. 1456

_____

DIGEST OF HB 1456 (Updated February 14, 2007 9:20 pm - DI 114)

Citations Affected: IC 6-2.3; noncode.

Synopsis: Utility receipts tax. Exempts gross receipts derived from the sale of utility services between members of a controlled group of corporations or an affiliated group from the utility receipts tax if: (1) the seller is the producer of the utility service and the purchaser is the end user; and (2) the seller and the purchaser exist at the same location or adjacent locations.

Effective: Upon passage.

Klinker, Kuzman, Buell, Turner

January 23, 2007, read first time and referred to Committee on Ways and Means.
February 15, 2007, amended, reported — Do Pass.

C o p y

First Regular Session 115th General Assembly (2007)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type.~~
  Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.
  Conflict reconciliation: Text in a statute in *this style type* or *~~this style type~~* reconciles conflicts between statutes enacted by the 2006 Regular Session of the General Assembly.

C

HOUSE BILL No. 1456

———

A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

Be it enacted by the General Assembly of the State of Indiana:

1   SECTION 1. IC 6-2.3-1-2 IS AMENDED TO READ AS
2 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. "Affiliated
3 group":
4   **(1) for purposes of IC 6-2.3-4-6, has the meaning set forth in**
5   **Section 1504 of the Internal Revenue Code; and**
6   **(2) for purposes of 6-2.3-5-1 and IC 6-2.3-6-5,** means an
7   affiliated group of corporations described in IC 6-2.3-6-5.
8   SECTION 2. IC 6-2.3-1-2.5 IS ADDED TO THE INDIANA CODE
9 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE
10 UPON PASSAGE]: **Sec. 2.5. "Controlled group of corporations"**
11 **has the meaning set forth in Section 1563 of the Internal Revenue**
12 **Code.**
13   SECTION 3. IC 6-2.3-4-6 IS ADDED TO THE INDIANA CODE
14 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE
15 UPON PASSAGE]: **Sec. 6. Gross receipts derived from the sale of**
16 **utility services between members of a controlled group of**
17 **corporations or an affiliated group are exempt from the utility**

HB 1456—LS 6640/DI 51+

receipts tax if:

> **(1) the seller is the producer of the utility service and the purchaser is the end user; and**
> **(2) the seller and the purchaser exist at the same location or adjacent locations.**

SECTION 4. [EFFECTIVE UPON PASSAGE] **(a) The definitions in IC 6-2.3 apply throughout this SECTION.**

(b) The addition of IC 6-2.3-4-6 by this act shall not be construed as imposing liability for the utility receipts tax for gross receipts derived from the sale of utility services between members of an affiliated group or controlled group of corporations before the effective date of this SECTION.

SECTION 5. **An emergency is declared for this act.**

C
o
p
y

COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1456, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 2, line 1, delete "**tax.**" and insert "**tax if:**".

Page 2, between lines 1 and 2, begin a new line block indented and insert:

> **(1) the seller is the producer of the utility service and the purchaser is the end user; and**
> **(2) the seller and the purchaser exist at the same location or adjacent locations.**".

and when so amended that said bill do pass.

(Reference is to HB 1456 as introduced.)

CRAWFORD, Chair

Committee Vote: yeas 19, nays 0.